

Town of Superior
Finance Committee
Meeting Notes
May 28, 2020 (Virtual Meeting)

Call meeting to Order – 6:03 p.m.

Committee members in attendance: Sandie Hammerly, Ken Lish, Neal S. Shah

Other attendees: staff members Matt Magley, Jeff Stone, Paul Nilles

Agenda Items:

1. Review Charge/Purpose

The Finance Committee (FC) was re-created in April, 2020 following the adoption of Town Board Resolution R-32. The three Board Members identified as FC members are Sandie Hammerly, Ken Lish and Neal S. Shah. The primary duties and responsibilities shall be to conduct investigations and make recommendations to the Board of Trustees concerning:

- Town finances
- Annual budgets
- Long-range financial planning to address the needs of the Town

2. 2019 Comprehensive Annual Financial Report (CAFR) review

As noted in State Statute, the Town of Superior is required to conduct an annual independent financial audit and create a CAFR. Staff reviewed the 2019 audit process, including discussions surrounding transitioning to a new audit firm in 2019 – CliftonLarsonAllen (CLA). No material issues were encountered in the process and the Town received an “unmodified” or clean opinion from CLA.

Specific FC questions/discussion included:

- Building Permits revenue actual v/ budget
- Public Works expenditures actual v/ budget
- Decrease in 2019 Governmental and Business-Type Activities Capital Grants and Contributions
- Review of Principal Sales and Use Taxpayers, and a decrease in 2019 of top ten filers as a percentage of total sales tax

3. Debt Overview, Current and Forecast

Reviewed current outstanding debt/loans. Discussed what revenues are pledged for each outstanding debt issue.

Discussed the need for debt in the upcoming five year financial plan (2021 – 2025) including:

- 2024/2025 financing needed for the next phase of Wastewater Treatment Plant improvements, caused by unfunded Federal mandates

- Funding for other projects, especially in light of the current historically low interest rate environment. Potential projects include:
 - New parks/recreation amenities
 - Material capital improvements to the two Town pools and adjacent facilities
 - Town Hall addition

4. 2021 Budget – Preliminary Thoughts

Initial discussion on the upcoming 2021 budget review and adoption process. Tentative Town Board budget review will begin in September. Discussion items included:

- Quantifying impact of COVID-19, primarily on Town revenues
- Currently the Town's property tax mill levy is 9.43 (7.93 General mill levy and 1.50 Library mill levy). The Town has the ability to raise the General mill levy to 12.127, or 4.197 mills above the current level. Discuss alternatives relating to projects to fund with a potential mill levy increase. A 1.00 mill levy increase would generate \$250,000 annually.
- In review of the Town's capital program, differentiate between capital needs and wants
- Review of the Town's long-term capital maintenance plans

5. Schedule Future Meetings

Tentatively scheduled for Thursday July 30, 6:00 pm.

6. Adjourn

7:22 p.m.